



THE DEFINITION OF RISK MANAGEMENT



The process of identifying, assessing, and controlling risks arising from operational factors and making decisions that balance risk costs with mission benefits.



KEY FACTORS IN ACCIDENTAL LOSSES



- **An ever-changing operational environment.**
- **Effects of a fast-paced, high-operational tempo (OPTEMPO) and a high-personnel tempo (PERSTEMPO) on unit and human performance. Examples include leader or soldier error or failure to train or perform to standards.**
- **Equipment failure, support failure, and the effects of the physical environment.**



BASIC PRINCIPLES IN RISK MANAGEMENT



- **Integrate risk management into mission planning, preparation, and execution.**
- **Make risk decisions at appropriate level in chain of command.**
- **Accept no unnecessary risk.**



KEY ASPECTS OF RISK MANAGEMENT



- **Conserving lives and resources and avoiding unnecessary risk.**
- **Making an informed decision to implement a course of action (COA).**
- **Identifying feasible and effective control measures where specific standards do not exist.**
- **Providing reasonable alternatives for mission accomplishment.**



TWO TYPES OF RISK



- 1. Tactical Risk**
- 2. Accident Risk**



FIVE STEPS OF THE RISK MANAGEMENT PROCESS



Step 1. Identify hazards.

Step 2. Assess hazards to determine risks.

Step 3. Develop controls and make risk decisions.

Step 4. Implement controls.

Step 5. Supervise and evaluate.



FIVE DEGREES OF PROBABILITY



- **Frequent**
- **Likely**
- **Occasional**
- **Seldom**
- **Unlikely**



THE FIVE LETTERS FOR EACH DEGREE OF PROBABILITY



- **A - Frequent**
- **B - Likely**
- **C - Occasional**
- **D - Seldom**
- **E - Unlikely**



ROMAN NUMERALS



THE NAME AND ROMAN NUMERAL FOR EACH DEGREE OF THE HAZARD SEVERITY

- **Catastrophic - I**
- **Critical - II**
- **Marginal - III**
- **Negligible - IV**



COMMANDER'S COMMAND CLIMATE



- Commanders established a command climate favorable for risk management integration by--**
- Demonstrating consistent and sustained risk management behavior through leading by example--**
 - 1) Habitually doing risk management.**
 - 2) Actively participating throughout the risk management process.**
 - Providing clear guidance, when appropriate, on where or what risk to accept.**
 - Obtaining and providing to subordinates the necessary assets to control risk.**



COMMANDER'S COMMAND CLIMATE (CON'T)



- **Knowing their own limitations, their leaders' and soldiers' limitations, and their units' capabilities.**
- **Preventing a zero-defects mindset from creeping into their command's culture.**
- **Allowing subordinates to make mistakes and learn from them.**



COMMANDER'S COMMAND CLIMATE (CON'T)



- **Demonstrating full confidence in subordinates' mastery of their trade and their ability to execute a chosen COA.**
- **Keeping subordinates informed; consulting with subordinate leaders before making a decision, if feasible.**
- **Listening to subordinates.**



LEADERS



Leaders' specific responsibilities in managing risk include--

- **Establishing clear, feasible risk management policies and goals.**
- **Conducting detailed planning within time constraints.**
- **Making informed risk decision and establishing and clearly communicating risk guidance.**
- **Training the risk management process.**
- **Capturing and disseminating lessons learned.**
- **Assessing unit's risk management program.**



LEADERS (CON'T)



- **Examining how subordinates manage risk and how soldiers protect themselves.**
- **Supervising and evaluating the unit's execution of risk controls during the mission to correct areas needing improvement.**
- **Advising his chain of command on risks and risk-reduction measures.**

- **Providing subordinates with**



TWO REASONS FOR THE RISK MANAGEMENT PROCESS



- **Preserves the lives and well-being of everyone.**
- **Conserves equipment, facilities, environment resources, and combat power.**



GENERAL'S QUOTE



“Risk management is not an add-on feature to the decision-making process but rather a fully integrated element of planning and executing operations... Risk management helps us preserve combat power and retain the flexibility for bold and decisive action. Proper risk management is a combat multiplier that we can ill afford to squander.”

General Dennis J.